WASHINGTEONSTATE LIQUORIQONTROL

EEEORIOF OPERATIONS



DEFENDANT'S EXHIBIT

NO.

EXHIBIT

Resp to Costco RFF

Enforcement Statistics

The two major violations as well as the two primary types of complaints received continue to be sale of liquor to apparently intoxicated persons and sale of liquor to minors.

CORRECTIVE ENFORCEMENT ACTIONS:

Administrative violation tickets Observed	
TOTAL ADMINISTRATIVE VIOLATIONS Written warnings Verbal Warnings	294 930 1,589
Total Corrective Actions	2,813
COMPLAINTS RECEIVED AND INVESTIGATED:	
Citizen complaints	1,710 660
Total Complaints Received and Investigated	2,370
CRIMINAL ENFORCEMENT ACTIVITIES:	
Number of persons arrested	586 1
LIQUOR SEIZED (LITERS)	492

Regulatory Management Section

One of the main responsibilities of the Regulatory Management Section is to review, work up and approve or disapprove all price postings filed by wholesalers and suppliers in order to ensure prices meet statutory and regulatory requirements. This includes, but is not limited to:

- 1. Ensuring that prices are not disruptive to the market; or
- 2. Below cost plus 10% of acquisition cost.

Price postings also allow for a check to ensure that:

- 3. Products offered for sale have received label approval;
- 4. Products offered for sale are in approved package/container sizes; and
- 5. Only licensed entities offer beer and wine for sale in the state.